A BETTER BALANCE:
NOVA SCOTIA'S FIRST GAMING STRATEGY

April 2005

NOVA SCOTIA

105-04011/

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On behalf of the Government of Nova Scotia, we are pleased to submit **A Better Balance: Nova Scotia's First Gaming Strategy.**

In Canada, Nova Scotia is leading the way, developing a comprehensive strategy that combines all elements of gaming and brings together all government agencies with such a responsibility. Implementing the actions outlined in this strategy will position Nova Scotia as one of the most progressive jurisdictions anywhere.

The most important motivation for this strategy is the positive impact it will have on gaming in Nova Scotia – and the related, positive impact for Nova Scotians. The strategy contributes to making Nova Scotia a great place to live, work, and raise a family. It stresses social responsibility, reduces our reliance on gaming revenue, and overall, strikes a better balance. Its aim is to provide people with choices, support, information, and confidence. It is truly a significant step in a positive direction, taking us out of the past and into a more balanced future.

The cornerstone of the strategy is treatment and prevention. Treatment is the only way to help those whose lives have been affected by problem gambling. Prevention is the best way to limit the number of problem gamblers we will have in the future. And prevention must be looked at in its broadest sense – it is anything that averts a problem. This would include not only education and awareness, but initiatives that make gaming less attractive to potential problem gamblers.

This strategy was developed through the hard work and input of many Nova Scotians, including stakeholders in communities around the province. This included problem gambling groups, treatment and prevention professionals, researchers, retailers, charities, and many others. We have worked to strike the right balance and find the best solutions based on available information.

Within government, the work of developing the strategy was an integrated effort. Leadership was provided by a steering committee comprised of senior officials from every government department and agency with a responsibility for gaming in the province. This included the departments of Environment and Labour, Finance, and Health, the Nova Scotia Gaming Corporation, the Office of Aboriginal Affairs, the Office of Health Promotion, and the Treasury and Policy Board.

These individuals, supported by a team of senior staff, were responsible for taking the public input obtained during the fall of 2004 and turning it into concrete recommendations for change. The result is a comprehensive strategy, covering a new vision for gaming in the province, backed up by substantial initiatives that will create a more responsible gaming environment.

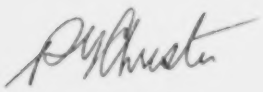
Government is committed to following through on this strategy, giving it the attention and resources it deserves. For example, we have committed $3 million to treatment and prevention in 2005-2006. Overall, developing the strategy is an important first step. Now, our focus turns to implementation, monitoring, and assessment to make sure that the desired impacts are achieved, and meaningful and beneficial change occurs.

While change will not happen overnight, we are committed to long-term progress. We are also committed to monitoring the impact of the initiatives and changes and altering our course where evidence indicates that we should.

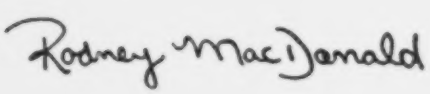
Today, we are clear that we need to focus our attention on treatment and prevention. To sum it up, the strategy will ensure that treatment will be there in the right place at the right time to support those most affected by problem gambling. Through this strategy, we will help those who need it most – with the goal of returning them to their families, their work and the lives they led before gambling took over.

We will also ensure that solid prevention initiatives are in place to realize a better future with fewer new cases of problem gambling. With these cornerstones in place, the strategy should bring success, and ultimately, that success will benefit all Nova Scotians.

Sincerely,



Peter G. Christie
Minister responsible for Part I of the
Gaming Control Act



Rodney J. MacDonald
Minister of Health Promotion

A Better Balance: Government's Commitment to Nova Scotians

For too long, our discussion of gaming has centred around words like "financial returns," "social responsibility," "treatment options," and "prevention." While this is very appropriate in many respects, it is important to remember why government is in the business of gaming in the first place. The bottom line is to benefit and protect Nova Scotians.

Nova Scotia has a history of initiating proactive programs to improve the gaming environment in the province. In many cases, we are seen as leaders in responsible gaming. Efforts have included Responsible Gaming Awareness Week, retailer training programs, the Problem Gambling Helpline, and a variety of awareness and education campaigns. We also have the lowest prevalence of problem gambling in the country. However, we believe that this is not enough. We want to see more action, more coordination, and better results.

As we move forward to implement this gaming strategy over the next five years, we believe it is important to state our commitment to the citizens of Nova Scotia.

To that end, government continues to make a commitment to:

- **Remember that gaming is about people – citizens who live in this province, pay taxes, and benefit from government services and programs; Nova Scotians who want to make the choice to play games of chance for fun and entertainment; Nova Scotians who develop a problem with gambling and the families who feel the impact; communities that participate in gaming to raise funds for worthy causes; people working in the industry; public servants implementing policies and programs; and young people who need to be educated about the risks associated with gambling**

- **Make practical decisions that balance the varied yet legitimate interests of all Nova Scotians**

- **Continue to listen to Nova Scotians and their opinions**

- **Make informed decisions based on the best evidence available and, if no evidence is available, make sure we pilot or test solutions and monitor and assess the impact, reacting appropriately to what we learn**

- **Help those who are most vulnerable and focus on returning them to their families, work, communities, and lives**

- **Focus on prevention to help keep gaming at a level that is fun and entertaining**

- **Make revenue a secondary priority**

- **Constantly monitor and adapt our strategy, and react accordingly**

Executive Summary

Nova Scotia is committed to significant, comprehensive change to achieve a responsible gaming environment that benefits Nova Scotians and their communities over the next five years. The strategy includes a number of targeted initiatives across various areas as outlined below.

Increased problem gambling treatment efforts

- Increase problem gambling treatment resources based on demonstrated needs of District Health Authorities
- Develop an early identification/intervention program for high-risk players
- Develop and implement a comprehensive treatment demonstration research project
- Establish a comprehensive problem gambling strategy
- Work with First Nations to develop and implement strategies to address problem gambling and addictions in Mi'kmaq communities
- Develop and implement a financial counselling services program

Enhanced, targeted prevention efforts

- Continue to implement and enhance responsible gaming programs and tools
- Launch a public awareness program based on social marketing principles
- Develop and implement targeted education programs (youth, seniors)
- Develop and implement a community-based prevention program
- Open an on-site resource centre at the casinos
- Commission a socio-economic study
- Pilot card-based player management tools at the casinos
- Commission another prevalence study

Decisive action on VLTs

- **Reduce accessibility to VLTs**
  - Remove 1,000 VLTs across all profit retail locations, with an initial 800 machines in 2005 and an additional 200 machines to be removed through attrition
  - Reduce VLT hours by eliminating the 12 midnight to close timeframe
- **Make product changes to VLTs**
  - Slow down play by removing the "Stop" Button feature on all VLTs
  - Reduce speed of games by 30 per cent
  - Pilot card-based player management tools for VLTs

Enhanced use of gaming to support our communities and our province

- Develop a gaming strategy for the charitable sector
- Continue discussions with First Nations about restructuring gaming arrangements to implement a more socially responsible gaming model on reserves

Increased accountability

- Review, evaluate and report on progress on an annual basis
- Review current law enforcement resources to meet our objective of ensuring legal, controlled gaming

We are committed to filling information gaps by doing the necessary research and evaluation to guide our decisions. With all of the current, best available information, we will advance toward our vision. We will continue to monitor, evaluate and measure the impacts of all of the changes we implement and respond to what we learn.

Enhanced treatment and prevention programs and significant changes to the VLT program are at the core of the plan. We will carefully monitor our efforts and make the necessary adjustments as we move forward. This plan represents short- to mid-term measures and objectives – working toward the pursuit of positive change for the long-term benefit of Nova Scotians.

Introduction

A Better Balance

A Better Balance: Nova Scotia's First Gaming Strategy is a five-year strategy designed to set a new course for gaming in the province. It is intended to be a comprehensive, cohesive, integrated strategy which will be the first step in building a better, more balanced gaming environment in Nova Scotia.

Specifically, it contains an overall vision for what gaming will look like in the year 2010. It offers a new mission for those involved in the industry, outlines the guiding principles and goals that provide a foundation for the new direction, and sets some specific outcomes to assess change.

The core elements of the strategy are treatment and prevention in all its forms. Within that context, the strategy details a wide range of initiatives, some large and some small, designed to improve the current state of gaming. And finally, it charts the next steps for executing the strategy – for ensuring it is put into practice in a timely, responsible, and open manner.

The overall theme for this new direction in gaming is finding a better balance. It is clear that the current equilibrium is out of sync with what Nova Scotians want and value. As gaming has grown in the province, there has been discussion about balancing the economic benefits of gaming with our responsibilities to society. That remains true. However, it is clear that social responsibility must be at the top of the list.

The government is only interested in one kind of gaming environment – a socially responsible one. We cannot separate the business and economics from the social aspects of gaming. They do not exist in separate silos. They must work hand in hand.

The overall intent of the strategy is to realize a real and material change in gaming – ultimately creating a more responsible gaming environment across Nova Scotia.

Why Develop a Gaming Strategy?

The rationale for developing a gaming strategy for Nova Scotia has many layers. The first reason is very basic: Nova Scotia has been actively involved in gaming for almost 30 years, without having a provincial strategy or policy. That is not to say that individual departments and agencies do not have strategic plans and policies that relate to gaming – in fact, they do. And in many instances, these groups consult and cooperate on specific initiatives. However, there is a need to have a provincial strategy to guide these various functions.

As noted above, there also exists a sense that we have not achieved the right balance when it comes to gaming in Nova Scotia. Along with the positive economic benefits of gaming, come adverse health and social issues – including problem gambling for some Nova Scotians. A solid strategy will help achieve a better balance and allow us to more effectively measure the economic benefits, the social benefits and the social costs. It will also allow us to monitor and measure our success in achieving that better balance.

Challenges to Be Addressed

- Concern about the video lottery program in terms of:
  - the level of revenue derived from problem gamblers, which is estimated to be about 50 per cent of the total VLT revenue
  - the lack of controls afforded by a decentralized distribution model without uniform standards of social responsibility, customer service and regulatory oversight (this model has 3,234 VLTs in approximately 470 liquor-licensed establishments and another 615 VLTs on First Nations reserves)
  - the concentration of VLT gambling which is 55 per cent of legal gambling (casinos, ticket and video lotteries, bingo, charitable lotteries)
  - the disproportionate percentage of gaming revenue derived from VLTs, which currently represents 70 per cent of the total payment to the Province from gaming (casinos, ticket and video lotteries)

- Declining revenues from certain forms of gaming (ticket lotteries, bingo, harness racing) due to game maturity and increased competition in the gaming sector and across the entertainment industry
- Opportunities to leverage technology that could advance responsible gaming and the entertainment value of gaming
- A lack of consistent, coordinated and integrated research to inform decision-making and to ensure that social responsibility is integrated into the design and delivery of gaming
- Insufficient resources to allow for a critical evaluation and assessment of current programs and services
- Unexplored potential for greater partnerships with non-commercial and non-government entities to design more effective models to use gaming to support local communities and charities through gaming proceeds
- A lack of public awareness about the economic benefits of gaming and a growing public misperception that government is driven by economic return in its decision-making and is prepared to increase gaming revenues at any cost

Overall, it is clear that the status quo is not working. It is not sustainable, desirable, or acceptable. There is a need for bold and material change in gaming in Nova Scotia.

Efforts in Other Jurisdictions

Other jurisdictions in Canada have taken some steps toward improving the state of their gaming environments. Here is a quick snapshot.

- In May 2004, Loto-Québec released a development plan for 2004-2007 titled *Assuring a Balance Between Business Mission and Social Responsibility.*
- In January 2005, Manitoba announced increased funding toward responsible gaming research and program development.
- In January 2005, Ontario announced a gaming strategy with an increased focus on social responsibility, and a commitment to ensuring competitiveness of the industry.
- In March 2005, Newfoundland and Labrador announced a 15 per cent reduction in VLTs over the next five years.

In moving forward to build a balanced gaming environment, we have considered these efforts.

Before jumping too far into the next steps, however, it is important to look back at the process that led to the drafting of this report.

Process

The Nova Scotia gaming strategy Initiative began in 2003-2004 in response to an identified need for a comprehensive, integrated, and long-term strategy to guide the future direction of gaming in the province.

In order to develop the strategy, a three-phased approach was established:

- Phase I – development of concepts and discussion paper (October 2003-July 2004)
- Phase II – public input and stakeholder meetings (August-November 2004)
- Phase III – additional input-gathering and gaming strategy development (December 2004-March 2005)

The result of Phase I was a preliminary vision for the future of the gaming environment in Nova Scotia and guiding principle concepts to provide a framework for decision-making.

The next step was Phase II, which involved taking the discussion to a broader audience, namely key stakeholders and the public. This resulted in the creation and release of a **discussion paper in August 2004.** The goal of the discussion paper was to stimulate discussion and gather valuable perspectives and insights from stakeholders and the general public.

Gathering input was an essential part of creating the strategy. Meetings were held with **156 external stakeholders, representing 37 organizations** in cities and towns across the province. This included individuals working in the addictions services field, community health board members, individuals working in problem gambling services, gaming operators, gaming retailers, gaming manufacturers, harness racing representatives, and social scientists. In addition, input was received from the general public who provided their views in writing.

Initially, a total of 11 weeks was designated for the public input phase, however, a significant number of stakeholders asked for additional time to meet and make submissions. As a result, the deadline was extended by an additional four weeks to November 30, 2004.

Overall, there was a great deal of interest in the discussion paper from across Nova Scotia. Over 2,340 copies of the discussion paper were distributed, and 148 written or e-mailed responses were received. This feedback was incorporated in the final strategy and recommendations.

The input received during Phase II was summarized by the facilitator of the Phase II process and that summary is appended to this strategy as **Appendix A.**

Generally, the input gathered from public and stakeholders confirmed the work conducted during Phase I and the conclusion that change is required. The policy objective, vision and guiding principle concepts developed in Phase I were validated with an overall interest in striking a better balance between social responsibility and the business aspects of gaming.

While divergent opinions and views were expressed by stakeholders with competing interests and perspectives, the following three main themes emerged:

- the need to change the VLT program
- the priority of social responsibility
- the need to offer more effective problem gambling treatment and prevention programs

An **interdepartmental steering committee** worked for several months to distill recommendations and directions and develop a comprehensive strategy document. The committee consisted of senior officials from the departments of Environment and Labour, Finance, and Health, the Nova Scotia Gaming Corporation, the Office of Aboriginal Affairs, the Office of Health Promotion, and the Treasury and Policy Board.

That committee considered the public and stakeholder input from Phase II as well as other key information, including **empirical research and literature, a review of experiences from other jurisdictions, and a review and analysis of expert opinions.**

Vision

In 2010, at the end of the five-year strategic plan, **we envision** that Nova Scotia will have a responsible gaming environment that benefits Nova Scotians and their communities. Specifically:

- Gaming will continue to be strictly regulated and controlled by government, either through direct operation or licences.
- There will be an increase in regulatory and law enforcement resources to ensure that only legal gaming products are offered in the province.
- Nova Scotia will continue to have the lowest percentage of problem and at-risk gamblers in Canada.
- People who need help will have easy access to a wide variety of effective, tried and tested treatment programs and services.
- Nova Scotia will continue to be a leader when it comes to providing effective education, awareness, and prevention programs.
- Government will rely less on revenue from video lottery.
- There will be more focus on the entertainment and social aspects of gaming.
- Decisions will be based on doing what is best for Nova Scotians rather than increasing gaming revenues.

Mission

Government has many specific responsibilities related to gaming. These include legislation, regulation, enforcement, management, prevention, education and treatment, just to name a few. As mentioned earlier, many government departments, agencies and offices are involved. In the past, each has had its own mission, mandate, and priorities. All those involved in gaming must have a common understanding and direction – a common set of priorities that they live by. The following is government's mission for gaming.

> *The Province of Nova Scotia is involved in gaming for the purpose of protecting the public good and optimizing the benefits to Nova Scotians. This means providing effective regulation, generating socially responsible revenue, helping those who have problems, and focusing on prevention, treatment, and education. Government will ensure that all gaming-related agencies and departments work together toward this common goal.*

Strategic Goals

In order to arrive at its mission, government has identified the following five strategic goals to work toward over the next five years.

Address problem gambling more effectively

- Design and implement effective and tailored problem gambling treatment and prevention programs
- Direct additional resources to problem gambling treatment and prevention to ensure that programs are available and accessible

Encourage healthy behaviours and choices

- Inform and educate Nova Scotians, both players and the public, about responsible gaming and problem gambling
- Offer the right tools, information, and support to enable informed decision-making

Pursue the development and growth of responsible, entertaining gaming products and venues

- Significantly reduce the reliance on video lottery revenue and reduce the video lottery revenue coming from high-risk and problem gamblers
- Improve product design, promotion, delivery, and use
- Ensure that any new products meet specific standards for social responsibility
- Work with First Nations bands interested in reducing or eliminating gaming operations on reserves

Design models to more effectively use gaming to support communities

- Enable charitable and not-for-profit organizations to access gaming opportunities to support their good works
- Recognize that gaming can be a fun, entertaining way for adults to socialize

Enhance accountability and informed decision-making by government

- Build the research base
- Evaluate and monitor performance in the achievement of the stated objectives
- Improve communication to the public and ensure that Nova Scotians are well-informed on all aspects of how gaming is impacting their province

Guiding Principles

1. Protect and benefit Nova Scotians: Gaming will be offered in Nova Scotia by government and licensed organizations to ensure that the economic benefits of entertaining, reliable, controlled gaming products remain in the province for the betterment of Nova Scotians and that illegal, socially irresponsible gaming operations do not seek to fill the void.

2. Put social responsibility first: Gaming will be offer in a socially responsible way, meaning that there is a focus on education and awareness and a commitment to the responsible design, delivery, promotion, and use of products. The end goal is to reduce the incidence of high-risk and problem gambling in the province.

3. Make revenue a secondary priority: Growth in revenues will occur only if it is responsible growth, meaning that it is not generated from an increase in the overall prevalence of problem gamblers. New forms of gaming will be assessed and introduced only if they pass this test. This is consistent with ensuring the viability of gaming through effective and efficient management.

4. Help those who need it and prevent problems wherever possible: Government will ensure that the adverse health and social consequences of problem gambling are being addressed by providing and enhancing health promotion, prevention, early intervention, treatment, and research programs.

5. Extend the benefits to the people in communities: Partnerships will be forged with local communities, private and charitable organizations, and other stakeholders to explore opportunities for them to make the most of gaming's economic benefits in a socially responsible manner.

6. Make evidence-based decisions: Well-founded, objective analysis, research and experience from other jurisdictions will be the foundation for all decisions related to gaming – whether they are regarding operations, regulation, or the prevention and treatment of problem gambling.

7. Ensure integrity and security: Gaming will be strictly regulated to ensure controlled outcomes and the security and integrity of products and systems, and law enforcement will be empowered to carry out their essential role.

8. Give Nova Scotians the facts: Gaming will be conducted in an open, transparent, and accountable manner, and Nova Scotians will be kept informed about the province's success in meeting established outcomes and objectives.

Outcome Measures

In addition to having a gaming strategy for the province, there needs to be defined outcomes to measure the strategy's success. The following list outlines the outcomes for improving the landscape of gaming in the province over the next five years:

- Continue to have the lowest prevalence of problem gambling in Canada
- Reduce the prevalence of problem gambling in Nova Scotia
- Increase the percentage of Nova Scotians who believe that gaming is effectively regulated
- Reduce VLT revenue as a percentage of total gaming revenue
- Reduce the percentage of VLT revenue from problem gamblers
- Maintain or reduce gaming revenue as a percentage of total provincial revenue
- Increase revenue to the charitable sector
- Increase the percentage of Nova Scotians who know where gaming revenue goes
- Increase the number of Nova Scotians who agree that they are informed or well-informed about the level of gaming occurring in the province and the social and economic impacts of that level of gaming

Nova Scotia will report on progress toward these outcomes on a regular basis, monitoring and making the necessary adjustments as the strategy moves forward.

How the Vision Will be Achieved - A Five-Year Plan

Change does not happen overnight. There is no quick fix. Change happens through decisive action, taken after careful consideration and thoughtful planning. To move toward the vision, we will:

Address problem gambling more effectively

- **Increase problem gambling treatment resources** based on demonstrated needs of District Health Authorities (DHA), conducting an assessment by September 30, 2005 and developing and implementing increased funding levels by December 31, 2005

- **Develop an early identification/ intervention program** by February 1, 2006 and implement it by March 31, 2006

- **Develop a comprehensive treatment demonstration research project** by October 31, 2005, with implementation effective March 1, 2006, and follow-up evaluation and assessment by March 1, 2007

- **Establish a comprehensive problem gambling strategy** by March 31, 2006

- **Work with First Nations to develop and implement strategies to address problem gambling and addictions in Mi'kmaq communities**

- **Develop and implement a financial counselling services program** by September 30, 2006 to assist problem gamblers in getting access to the financial advice they need

- **Open an on-site resource centre at the casinos** by September 30, 2006 to ensure that responsible gaming and problem gambling information, resources, and tools are available to casino players

Encourage healthy behaviours and choices

- **Continue to implement and enhance responsible gaming programs and tools** on an annual basis to assist players in making the choices that are right for them and to ensure that responsible gaming awareness is a year-round focus

- **Launch a public awareness program** based on social marketing principles by June 30, 2005

- **Develop targeted education programs (youth, seniors)** by September 30, 2005, with implementation by June 1, 2006

- **Develop a community-based prevention program** by August 31, 2005 and implement it by December 31, 2005

- **Commission a socio-economic study** by February 28, 2006 to assess and understand the social costs and economic benefits of gaming to Nova Scotia

- **Pilot card-based player management tools at the casinos** by March 31, 2007 with implementation slated for March 31, 2008. This will determine if there are effective tools that can be implemented in the casino environment to assist players in managing and monitoring their play, and could involve ways to leverage the existing Player's Club Card technology for responsible gaming purposes.

- **Commission another prevalence study** by June 30, 2008, to assess the effectiveness of the strategy in lowering the prevalence of problem gambling and high-risk behaviours

Pursue the development and growth of responsible, entertaining gaming products and venues

- **Remove 1,000 VLTs** across profit retail locations to reduce availability and accessibility. Deactivation of an initial 800 machines will occur on November 1, 2005, and removal will begin. An additional 200 machines will be removed through attrition. Those at Legions and not-for-profit locations will be maintained due to their unique and valued contribution to their communities.

- **Reduce VLT hours** of operation by a minimum of two hours per day effective July 1, 2005, by eliminating the 12 midnight to close timeframe, during which there is a disproportionate number of problem gamblers playing VLTs

- **Remove the "Stop" button** feature on all VLTs starting January 1, 2006, because speed of play can be reduced if players can no longer stop reels from spinning during play and no player should think that a game of chance can be controlled

- **Reduce the speed of VLT games by 30 per cent,** starting January 1, 2006

- **Pilot card-based player management tools on VLTs** in select retail sites by March 31, 2006, to test technology that will allow VLT players to manage such things as setting spending limits and self-excluding from play; a decision about wider provincial implementation will be made by June 30, 2006

Use gaming to support communities

- **Develop a gaming strategy for the charitable sector** and introduce Linked Bingo by January 31, 2006 to enhance charity bingo through larger, linked jackpots, that will allow charitable organizations to continue to use bingo to fund their projects and good works

- **Continue discussions with First Nations** about restructuring gaming arrangements to implement a more socially responsible gaming model on reserves

Enhance our accountability and decision-making

- **Annually review, evaluate and report** our progress in moving toward the vision, by monitoring and measuring our performance in meeting the outcomes we have established

- **Review current law enforcement resources** to meet our objective of ensuring that only legal, controlled gaming products are available in Nova Scotia. This will be done by collaborating and consulting with the law enforcement community about the resources required.

Assessment of Banning VLTs

A significant driver of the gaming strategy was the clear dissatisfaction of Nova Scotians with the current VLT program. Accordingly, addressing Nova Scotians' concerns about VLTs was a priority in the development of this strategy and will remain a priority as this strategy is implemented and our tactics are monitored, measured, and assessed.

Some VLT opponents suggest that the solution to that dissatisfaction is simple: ban VLTs. Banning VLTs is certainly one solution but is it the right solution for Nova Scotia? This question was given careful, thoughtful consideration by reviewing the experience of jurisdictions that have banned VLTs, as well as engaging in discussions with law enforcement and problem gambling experts.

The conclusion reached is that, while removing VLTs might well reduce the prevalence of VLT problem gambling, the extent and scope of the potential impacts and implications are uncertain and may be even more unacceptable to Nova Scotians. This could include driving some people to other forms of gaming and a likely resurgence in illegal gaming.

Government does not have the luxury of implementing solutions without looking at the big picture and considering implications. Government also has a very limited ability to legislate human behaviour. There will still be some demand for VLT play, and unfortunately, there will be someone ready to exploit and meet that demand. Overall, there is a delicate balance between a restricted, legal environment and one that tips into the territory of unrestricted, illegal activity.

Enforcement can only control so much. It is important to remember that other, completely legal forms of gaming remain open and accessible to problem players. Removing VLTs does not remove the problem entirely. It is more complicated than that. Experience from other jurisdictions tells us that when a government does not offer VLTs, there is still problem gambling. As well, even where casinos and other legal forms of gaming are available, there is a significant VLT black market.

Looking at the big picture requires that tough questions be asked, leading to tough choices. What impact will banning have on problem gamblers who have a compulsion to play VLTs? Will they seek out illegal VLTs? Will they seek out other forms of gaming? Will removal of regulated, controlled legal VLTs create a market for illegal gaming and lead to the resurgence of black-market underground gaming operations? What will be the impact of illegal gaming with no level of regulation or social responsibility? What will happen when illegal machines are operating around the clock with unfair games and no restrictions? How will illegality affect how problem players access help? Can enforcement effectively deal with the movement of players to Internet gaming or other legal forms of gaming?

While a difficult decision to make, our conclusion is that, although banning is an option, it is not the only solution, and there are opportunities to effect positive change through the measures outlined in this strategy.

Government is committed to monitoring, evaluating and measuring the impacts of the changes it makes under this strategy. It will critically examine whether the initiatives it implements are achieving their objectives and moving Nova Scotia to the vision that it seeks. If these initiatives do not achieve the material change that Nova Scotians want, options will be re-assessed and banning will remain an option to be considered as this strategy moves forward.

Conclusion/Next Steps

This strategy is a significant starting point for changing the face of gaming in the province. Government is committed to seeing this strategy put into action with the necessary focus, coordination, resources, and leadership. We are also committed to constant monitoring and evaluation, making the necessary changes along the way.

We look forward to aggressively pursuing the planned initiatives targeted for 2005-2006 and to reporting on our progress at the end of the fiscal year.

Appendix A - GLOSSARY OF TERMS

Accessibility – exposure to gaming, which is impacted by nine factors: opportunities to gamble per venue; number of opportunities to gamble, number of venues, operating hours, conditions of entry, ease of use, initial outlay, social accessibility, and location of venue.

Atlantic Lottery Corporation – the agent of NSGC that operates ticket lotteries and the VLT program through a network of retailers across the province.

At risk – occurs when a person has experienced some negative consequences from their gambling.

Attrition – a gradual, natural reduction, over time, in the number of VLTs in retail locations, as a result of the closure of the location or the retailer's voluntary decision to stop offering the video lottery product.

Casino Nova Scotia – the operator of casinos in Halifax and Sydney on behalf of NSGC.

Corporate social responsibility – a model of government and business that is sensitive to the expectations of society. The model focuses on health, health promotion, community investment, human rights and employee relations, environmental practices, and ethical behaviours and values, based on economic, environmental and social performance. This comprehensive approach to business meets or exceeds the expectations of stakeholders, including customers, owners, government, employees, investors, and suppliers in the areas of revenue, profit, and legal obligations.

Department of Environment and Labour (DEL) – the department of government which, through its Alcohol and Gaming Division, licenses and regulates gaming activities in Nova Scotia.

Department of Finance (DOF) – the department of government that works to establish a fiscal climate conducive to economic growth and provide central agency support and policy direction for effective management of the Province's finance and pension administration.

Department of Health (DOH) – the department of government that, through Addiction Services, provides planning, funding, and administration within a public/private partnering model for projects and services for information, prevention, treatment and research in the area of problem gambling. Problem gambling specialists from Addiction Services offices in the District Health Authorities and the Problem Gambling Helpline assist in finding suitable services for problem gamblers.

Early intervention – a process for recognizing warning signs that individuals are at risk for problem gambling and taking early action against factors that put them at risk. Early intervention can help people get better more quickly and prevent problems from becoming worse.

Economic benefits – gaming contributes to the economy through direct revenues to government, employment, and indirect revenue such as income taxes paid by the people directly employed by gaming.

Empirical research – empirical studies use data derived from actual observation or experiment and is guided by practical experience and not theory.

Gaming/Gambling – the activity of betting or wagering something of value (usually money) on the outcome of an uncertain event for the fun and entertainment of awaiting the random outcome with the hope but not the expectation of winning something of greater value such as a cash prize, vacation or some other reward. Types of gambling include lotteries, bingo, sports pools, scratch-and-win and break-open tickets, VLTs, slot machines and casino table games. Stock market speculation, without adequate knowledge of the field also constitutes gambling.

Incidence – the number of new cases of problem gambling in a specific population over a given period of time. The incidence rate is determined by dividing the number of new cases by the total population.

Nova Scotia Gaming Corporation (NSGC) – the Crown Corporation responsible for the conduct and management of the province's gaming businesses including ticket lotteries, video lotteries and casinos.

Nova Scotia Gaming Foundation (NSGF) – the not-for-profit organization managed by a Board of Directors appointed by Governor-in-Council that offers funding to Nova Scotia community groups and researchers who create projects in their communities to help address the consequences of problem gambling.

Office of Aboriginal Affairs (OAA) – the government organization responsible for coordinating the Province's approach to aboriginal issues. That includes discussions and negotiations with the Government of Canada and organizations representing Mi'kmaq communities.

Office of Health Promotion (OHP) – the government organization responsible, through Problem Gambling Services, for planning, coordinating, and training for projects and services related to problem gambling. It initiates a limited number of specialized programs and develops resources in collaboration with the Department of Health's Addiction Services and other organizations that comprise health promotion, prevention, early identification, treatment and research related to problem gambling.

Prevalence – the number of people in a given population affected by problem gambling at a given time. Prevalence may be thought of as a snapshot of all existing cases at a specified time.

Prevention – primary prevention is an active, assertive process of creating conditions and/or personal attributes that promotes the well-being of people. Secondary prevention is early detection and intervention to keep problems in the early stages from becoming more severe.

Problem Gambling – losing increasingly greater amounts of money and time in gambling activities and persisting in irrational, destructive patterns of gambling despite strong evidence of serious financial, employment, health and social problems arising that impact the individual as well as his or her family, friends, and community. Problem gambling develops irrespective of age, education, or social status.

Responsible gaming – responsible gaming occurs within a health-oriented, social policy context including guiding principles and measures designed to educate and protect all current and potential consumers of gaming products. In this way, safe and legal gaming products are offered, and economic benefits are derived within a carefully monitored, socially responsible context. Those who engage in responsible gaming:

- Avail themselves of information about the potential risks and consequences of gambling to make safe and responsible decisions about their participation in gambling activities
- Seek out unambiguous information about the odds of losing and winning for all games and modes of gambling
- Participate for entertainment, never as a way to make money
- Balance gambling with other leisure activities and never gamble with anything other than discretionary income they can well afford to lose
- Never "chase losses" but accept them as part of the cost of entertainment

- Do not use cash machines or credit cards or risk more than the "safe" amount they are prepared to lose

- Set spending limits that are directly related to their discretionary income and stick to them

- Set time limits, and take "breaks" from all forms of continuous, electronic gambling and stick to them

- Never borrow money to gamble

- Seek advice from problem gambling specialists, or stop gambling if they begin to spend more than they can afford to lose, or find themselves making excuses to gamble more often

- Understand that one should not gamble if one has suffered a serious loss, or shows signs of depression

- Are prepared to help their families and friends if they begin to show signs of not gambling responsibly

Social Responsibility – the gaming industry must be carefully regulated, controlled and provide evidence of social responsibility toward those members of society who are most vulnerable to the potentially harmful and destructive effects of problem gambling (e.g. adolescents, problem gamblers and those under the influence of alcohol or other drugs.)

Treasury and Policy Board (TPB) – is the organization within government that serves Executive Council and Cabinet committees, primarily through staff support. The office also leads specific corporate initiatives and coordinates government-wide policy development and evaluation as well as budget and resource allocations.

Treatment – the effort to rehabilitate those affected by problem gambling and return them to a healthy role in their homes, families, workplaces and communities.

Please find attached the *Summary of Phase II – Public Input and Stakeholder Meeting Process*. It is recognized that this information represents an important input to the process of developing a Gaming Strategy for Nova Scotia.

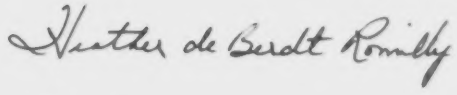
Over a period of four months, from August 2004 to the end of November, I was involved in listening to the input of Nova Scotians about the future direction of gaming in the province. Specifically, this involved direct meetings with key stakeholders and analysing input from many others. Over 2,340 copies of the discussion paper were distributed, a total of 156 stakeholders attended meetings and 148 written responses were received.

Overall, there was considerable interest in developing a coordinated, comprehensive Gaming Strategy for the province. While groups and individuals had specific and differing opinions about what the future direction should be, there was considerable consensus regarding the need for change in the gaming environment in Nova Scotia.

The focus of this Summary is to provide a high-level overview of common areas of focus which emerged from the opinions and comments received. It centres around comments and feedback on the key strategic elements such as vision, principles and policy areas, as well as areas where there is consensus that change and improvement is required. The Summary will also assist with the development of recommendations for the next phase of the process.

Stakeholders and the public have provided considerable feedback and input for your consideration. The views and opinions expressed through this process will be an important component of the information (including existing research, expert opinion, experience from other jurisdictions, and public opinion research) which is required to be considered in the development of a Gaming Strategy. The comments from Nova Scotians should inform Phase III, as decisions are made and the overall strategy developed.

I would like to take this opportunity to thank all of the stakeholders and respondents who shared of their valuable time to contribute to this process. It has been a privilege to meet with and hear from the people directly involved and impacted by gaming in this province. It is hoped the Summary will be of valuable assistance to the Gaming Strategy development process.



Sincerely,
Heather de Berdt Romilly, B.Comm, LL.B., LL.M.

1. Introduction

In 2003, the Nova Scotia Gaming Strategy process was initiated to review the current state of the gaming sector in Nova Scotia. The purpose was to identify the challenges and opportunities in the areas of gaming operations, research, regulation and enforcement, prevention and treatment of problem gambling and management of revenues. The objectives were to determine the appropriate future direction of gaming in Nova Scotia and to pursue the development of a coordinated, integrated strategy to support the achievement of that future vision. A further objective was to establish a process through which a number of inputs could be gathered in order to inform the gaming strategy development process.

The Gaming Strategy process consists of three phases. Phase I involved the preliminary development of a vision, policy objectives and guiding principles by a working group of senior officials representing the gaming and health promotion sectors. That preliminary strategy concept development work culminated in a Discussion Paper released on August 12, 2004 which was intended to be a mechanism to spark discussion and encourage external stakeholders and members of the public to consider their views and to share their thoughts on the overall future direction of gaming in Nova Scotia. Nova Scotians were asked to comment on a series of questions from the Discussion Paper and to share any other comments or input. This public input and stakeholder consultation process constituted Phase II of the Gaming Strategy process.

An essential part of the Gaming Strategy process was to receive public input. Phase II involved holding a series of stakeholder meetings with a diverse range of organizations including gaming operators, gaming retailers, gaming manufacturers, harness racing representatives, members of a First Nations community, social scientists, individuals working in the addictions services field, community health board members, and individuals working in problem gambling services. Initially, six weeks were designated for Phase II. However, a significant number of stakeholders asked for an extension to the period of time for meeting and making submissions and the deadline was extended by an additional four weeks to November 30, 2004.

There was a great deal of interest in the Discussion Paper from across Nova Scotia. Over 2,340 copies of the Discussion Paper were distributed and it was posted on the government website. The public was invited to participate in the process through a series of advertisements in provincial and community newspapers which included a 1-800 telephone number and website address to assist interested parties in accessing the Discussion Paper. Copies of the Discussion Paper were also made available through Access Nova Scotia sites located around the province. In total, there were 148 written or e-mailed responses received.

Throughout this Phase II process, a number of excellent ideas and suggestions were identified. The feedback received through Phase II will help inform the next phase of the Gaming Strategy process, Phase III, which will involve policy development and implementation.

There are several important inputs in the development of a gaming strategy for Nova Scotia of which the Phase II public input and stakeholder meeting process is just one. The full list of inputs is outlined below.

1. Phase II: Meetings were held with 156 external stakeholders representing 37 organizations in cities and towns across the province to ensure a diverse range of organizations had a meaningful opportunity to share their perspectives on the future of gaming in Nova Scotia. In addition, input was received from respondents who provided their views in writing.
2. Review of empirical research and literature
3. Review of other jurisdictions' experiences and models
4. Experts' review and analysis
5. Public opinion research

These inputs will be considered as decisions are made in Phase III, with the end goal of developing a coordinated Gaming Strategy for Nova Scotia.

2. Public Input and Stakeholder Meeting Process

During the second phase of the Gaming Strategy process, every effort was made to meet and consult with stakeholders and interested parties to discuss their views regarding the future direction of gaming in Nova Scotia. Members of the public were encouraged to provide written comments through letter or e-mail.

Following the release of the Discussion Paper, efforts were made to inform Nova Scotians of the importance of the document and the need for responses to the questions posed. Respondents provided feedback using a variety of methods including the feedback form included in the Discussion Paper and located on the website, through comments and formal submissions.

Public Feedback

Form of Responses	Number of Responses
Feedback Forms/Comments	129
Submissions	19

Series of Ads

A series of ads were placed in the following papers to provide information and invite participation and input from Nova Scotians.

Publication	Circulation	Date of Publications
Daily Papers:		
Halifax Chronicle Herald	107,083	Aug. 14/04, Sept. 18/04, Oct. 14/04, Nov.27/04
Halifax Daily News	28,105	Aug. 15/04, Sept. 19/04, Oct. 13/04, Nov.28/04
Amherst Daily News	5,017	Aug. 14/04, Sept. 18/04, Oct. 13/04, Nov.29/04
Truro Daily News	8,415	Aug. 14/04, Sept. 18/04, Oct.13/04, Nov. 27/04
New Glasgow Evening News	8,015	Aug. 14/04, Sept. 18/04, Oct.13/04, Nov.27/04
Sydney Cape Breton Post	2,559	Aug. 14/04, Sept. 18/04, Oct. 13/04, Nov. 27/04
Yarmouth le Courrier (French)	4,195	Aug. 20/04, Sept. 17/04, Oct. 15/04
Community Papers:		
Annapolis Spectator	1,304	Aug. 17/04, Sept. 21/04, Oct. 19/04
Antigonish Casket	5,634	Aug. 17/04, Sept. 21/04, Oct. 13/04
Berwick Register	1,801	Aug. 18/04, Sept. 22/04, Oct. 20/04
Bridgewater Lighthouse Log	26,065	Aug. 18/04, Sept. 22/04, Oct. 13/04
Digby Courier	2,099	Aug. 18/04, Sept. 22/04, Oct. 13/04
Greenwood Aurora	5,900	Aug. 16/04, Sept. 20/04, Oct. 13/04
Guysborough Journal	1,829	Aug. 18/04, Sept. 22/04, Oct. 13/04
Inverness Oran	4,990	Aug. 18/04, Sept. 22/04, Oct. 13/04
Kentville Advertiser	6,227	Aug. 18/04, Sept. 22/04, Oct. 15/04
Liverpool Advance	3,070	Aug. 18/04, Sept. 22/04, Oct. 13/04
Middleton Monitor-Examiner	1,903	Aug. 18/04, Sept. 22/04, Oct. 20/04
Oxford Journal	2,527	Aug. 18/04, Sept. 22/04, Oct. 13/04
Pictou Advocate	3,700	Aug. 18/04, Sept. 22/04, Oct. 13/04
Port Hawkesbury Reporter	2,437	Aug. 20/04, Sept. 21/04, Oct. 15/04
Shelburne Coast Guard	4,307	Aug. 17/04, Sept. 21/04, Oct. 20/04
Springhill/Parrsborro Record	1,617	Aug. 18/04, Sept. 22/04, Oct. 13/04
Windsor Hants Journal	3,174	Aug. 18/04, Sept. 22/04, Oct. 20/04
Yarmouth Vanguard	5,836	Aug. 17/04, Sept. 21/04, Oct. 15/04

Meetings with Stakeholders

Meetings with stakeholders were conducted to provide interested organizations with an opportunity to discuss and ask questions about the Discussion Paper. The particulars of the scope of the meetings and the stakeholders who attended are noted below. There were a total of 29 meetings and a total of 156 external stakeholders at these meetings.

Stakeholder	Number of Participants	Scope/Dimensions of Stakeholder
Addiction Services, Directors (District Health Authorities)	7	38 Addiction Services Offices are located across Nova Scotia.
Alcohol and Gaming Division, Department of Environment and Labour	1	Has the legislative responsibility to regulate and control gaming activities in the public interest and in accordance with the principles of honesty and integrity. The Division licenses and monitors the conduct of casinos, bingos, lotteries and other games of chance (exceptions include harness racing and gaming activities on First Nations reserves) to ensure compliance with the regulations.
Atlantic Lottery Corporation -Executive Team -Ticket Lottery Division -Video Lottery Division	 8 8 10	Established by governments in the four Atlantic provinces. Net profits are returned to general revenue of each province. ALC has 517 employees and partners with over 6,000 lottery retailers.
Canadian Restaurant and Food Service Association (CRFA) -CRFA Member – Big Leagues	1 3	A national organization with members in Nova Scotia controlling approximately 1,200 of the 1,700 commercial food service establishments (a significant number of these do not have a lounge licence).
Casino Nova Scotia -Halifax -Sydney	 8 3	Operates three businesses in Nova Scotia which employ approximately 1,500 employees.
Charitable Bingo -Amherst	 1	The Knights of Columbus, Amherst Division has approximately 130 members.
Charitable Bingos -Halifax	 5	These are non-profit organizations. Scope information was provided by four organizations including the Halifax Forum Community Association, Dartmouth Sportsplex Community Association, Bazaar & Novelty, and Sackville Leisure Centre.
Charitable Bingo -Port Hawkesbury	 2	The Port Hawkesbury Lions Club has approximately 24 members and is committed to serving the needs of the community.
Community Health Board, Colchester East Hants & Health Authority (CEHHA)	11	The CEHHA is one of nine district health authorities in Nova Scotia. Delivers a wide range of health services to more than 73,000 residents of Colchester County and East Hants. The community health boards are volunteer boards which make recommendations to CEHHA regarding local health concerns and needs.
Community Health Board, Shelburne County	1	The Shelburne Community Health Board has 12 volunteer members who work with the community on health issues that matter most to members of the community.
Crosbie House Society	2	The Society is soliciting support to open a new not-for-profit addictions recovery program for its partners and, through charitable donations, to those suffering from addiction.
Dalhousie University, Department of Psychology	2	The Dalhousie Gambling Lab is managed by the principle investigator, Dr. Stewart, who specializes in research regarding gambling and alcohol abuse.
District Health Authorities (Nova Scotia), Chief Executive Officers	14	There are nine district health authorities for the Province of Nova Scotia which service the health needs of all Nova Scotians.

Stakeholder	Number of Participants	Scope/Dimensions of Stakeholder
FGI (Problem Gambling Helpline)	1	Provides employee assistance programs to the private and public sectors internationally. And employs 12 employees and approximately 60 counsellors In Nova Scotia.
Focal Research Consultants	2	A social and marketing research firm with over 14 years experience conducting gambling research.
Gamblers Initiatives Group	15	Comprised of 10 members from Addiction Services across the District Health Authorities (representing 375 staff), 1 member from the Problem Gambling Helpline (representing 6 staff) and 2 members representing the Office of Health Promotion, Department of Health. GIG provides advice to Directors of Addiction Services regarding problem gambling services.
GPI Atlantic	2	A non-profit research organization with a staff of approximately 35 individuals.
Legion Command	3	Nova Scotia Command is one of 10 provincial commands; it is divided into one district and 15 zones with 119 branches throughout the province. Mandate to assist veterans and their dependants and broader community.
Lounge and Beverage Room Association of Nova Scotia	30	Provincial body with 265 members representing majority of the province's for-profit video lottery retailers.
Marguerite Centre	2	Long-term residential facility with 12 beds for women in recovery from addictions. Employs 10 staff. Only facility of its kind for women in Nova Scotia.
Maritime Provinces Harness Racing Commission	4	Represents 15,000 members including 536 members from Nova Scotia.
Millbrook First Nation	3	Governed by a Chief and 11 Councillors who are elected every 2 years. Hosts 1,400 members across Canada.
Nova Scotia Harness Racing	3	Includes the Nova Scotia Provincial Exhibition which employs 80 staff and 1,300 horsemen and the Nova Scotia Harness Racing Industry Association which employs 150 employees and 750 horsemen between Truro, Inverness and Sydney racetracks.
Tourism Industry Association of Nova Scotia (TIANS)	2	TIANS employs 8 staff and represents 2,000 members in the business of tourism and 80 associations and societies. The Nova Scotia Tourism Human Resource Council works with TIANS, employs 7 staff and develops human resource programs to develop a professional workforce for the tourism industry.
Video On-line Lottery Terminators Society	2	Represents individuals and families severely affected by VLTs.

3. What Was Said

Throughout the Phase II public input and stakeholder meeting process, feedback was received from many Nova Scotians who have an interest in the future direction of gaming in Nova Scotia. Through the many meetings which were held and responses received, a number of comments and suggestions were provided regarding the new directions for gaming outlined in the Discussion Paper.

The information compiled through the meeting process, reflects the views and opinions as expressed by stakeholders. Phase III will consider this information as one input in the context of a variety of other inputs mentioned earlier (i.e. research, expert opinions, etc.).

It is important for the reader to note that not all stakeholders provided comments on all of the sections outlined in this document. Where a majority of stakeholders expressed a common perspective or shared issues, this is identified as a Common Area of Focus.

This paper is a summary of the feedback and provides an overview of this information, highlighting a number of common themes and outlining suggested next steps for action. The feedback was thoughtful, informative and diverse. The many comments and suggestions which we received have been summarized under the following categories.

3.1 Common Areas of Focus
3.2 Future Direction of Gaming
3.3 Suggestions for Gaming Strategy Development

3.1 Common Areas of Focus

A strength of the public input and stakeholder meeting process is that a diverse array of external stakeholders and Nova Scotians shared of their valuable time through participation in the process and provided a range of views and opinions. It is notable that many stakeholders and Nova Scotians, from their varied perspectives, shared common views on a range of topics which are outlined below.

A review of the minutes of the meetings with external stakeholders, in addition to the submissions and feedback forms and comments received, reveals a number of themes that are repeated consistently by a majority of participants in the process and these themes are presented as common areas of focus.

Overall, there was strong support amongst respondents regarding the need for change in the gaming environment in Nova Scotia. In terms of specific concerns and recommendations, stakeholders and members of the public who participated in the process said that the gaming strategy should:

3.1.1 – recognize the need for greater emphasis on social responsibility and the development of consistent social responsibility standards which are applicable to everyone involved in the gaming industry and focus on protecting those most vulnerable;

3.1.2 – recognize issues of concern regarding continuous electronic gaming (with particular emphasis on the accessibility and availability of VLTs) and the emergence of on-line gaming and carefully assess decisions about the types of games which are approved, including considering long-term impacts;

3.1.3 – include an education and awareness campaign regarding responsible gaming and the use of quality research to assist decision-making;

3.1.4 – consider and quantify the social costs of gaming in order to determine the net contribution of gaming;

3.1.5 – build on the Province's established leadership role in managing problem gambling;

3.1.6 – define outcomes and measure results through objective, balanced research and/or analysis to determine if the attributes of social responsibility and economic sustainability are being met;

3.1.7 – establish consistent regulations;

3.1.8 – prevent the illegal/criminal element from taking hold of the industry; and

3.1.9 – clearly define roles and responsibilities for everyone involved in gaming, including those involved in the economic and social spectrum of gaming.

There was strong support for the initiative and the fact of government seeking broad-based feedback on the Discussion Paper. Respondents recognized the initiative as being a significant undertaking.

3.2 Future Direction of Gaming in Nova Scotia – Vision, Policy & Principles

In reviewing the current status of the gaming industry and the many challenges which exist, the need for a vision to guide the future development of the gaming industry in Nova Scotia was clear. This vision will set the direction for how the Government of Nova Scotia will move forward. Many stakeholders and Nova Scotians through the input and meeting process indicated that the future direction of gaming should:

3.2.1 – ensure a careful balancing of social responsibility and economic sustainability with more weight being given to social responsibility;

3.2.2 – define the term "socially responsible" in a manner that identifies deliverables, outcomes and timelines;

3.2.3 – define "economically sustainable" to include decreasing reliance on gaming in a socially responsible manner, the removal of barriers to business market conditions, establishing revenue targets, delineating roles and responsibilities, and providing funding for problem gambling services proportionate to the rates of problem gambling; and

3.2.4 – inform the public about where the gaming revenues are directed.

The Discussion Paper outlines a number of policy objectives and guiding principles suggesting a basis for a new vision of gaming in Nova Scotia. A number of stakeholders across the economic/social spectrum indicated general agreement with the vision, policy objectives and guiding principles.

A number of respondents indicated agreement in principle with the vision statement and guiding principles. Overall, those who noted some disagreement with the vision, principles and policy objectives did so primarily because they felt a need for greater emphasis on social responsibility.

Some respondents noted that the intention to balance social responsibility with economic return from gambling is logical and necessary - particularly from a public health and social policy perspective.

A number of respondents also indicated that the concept of responsible gaming is predicated on the need for government to adopt collaborative approaches and engage in partnerships with communities, stakeholders and consumers. These respondents considered this type of engagement to be necessary to achieve the socially responsible balance in question, and to be both reasonable and supportable.

A number of respondents also commented favourably upon the underlying principles of transparency, accountability, informed consumer participation and objective research and analysis – as the basis for making important gaming decisions

A number of respondents expressed concern regarding the need for clear definitions of the terms included in these statements in the ultimate gaming strategy.

Some respondents indicated the initial reaction to New Directions was positive but that a further reading of the content revealed that it did not fully develop or define concepts of social responsibility and economic sustainability and that any ultimate strategy should clearly articulate what is meant by these concepts.

Differing views of the definition of social responsibility were expressed with some stakeholders noting that such requires the removal of the most addictive forms of games while other stakeholders noted the need for emphasis on prevention and treatment.

A number of respondents highlighted the need for social responsibility to be given foremost consideration.

A common theme expressed was that government needs to reduce reliance on high-risk gaming products.

Many respondents identified game design as being an integral part of social responsibility.

These respondents recommended that government develop games which appeal to social players and avoid those which appeal to problem gamblers which are characterized as being newer, faster, and louder.

A number of respondents viewed social responsibility as requiring action on the availability and accessibility of VLTs.

A common comment expressed by respondents was that access to VLTs needs to be controlled to restrict availability.

Some respondents also considered the public had a role to play in social responsibility.

Some respondents considered that from an integrity and responsibility point of view, the industry needs to present products along with the risks, but there also needs to be public willingness to receive this information.

A number of respondents considered that partnerships with industry operators and government in the areas of health and education will be critical to effectively communicate responsible gaming, the role of government and how profits are used for public good.

A number of respondents also considered that social responsibility included consideration of the impacts of gaming on charities.

A common comment of these respondents was that it is difficult for charities to successfully operate, since government treats charities in the same manner as commercial establishments with no recognition of the different mandates.

Some respondents also noted that partnerships between economic and charitable organizations could be mutually beneficial and should be explored in further detail. Some respondents considered there would be merit in considering partnerships with the harness racing industry.

3.3 Suggestions for Gaming Strategy Development in Phase III

A number of the respondents outlined suggestions in a number of areas to assist with the development of a Gaming Strategy in Phase III.

Specifically, the following areas were suggested as focus points for developing the future strategy:

- Develop social and economic criteria
- Engage First Nations in gaming discussions
- Improve the quality of prevention and treatment services
- Ensure a cooperative process for the development of a gaming strategy
- Strengthen gaming safeguards
- Strengthen the gaming decision-making process

3.3.1 Develop Social and Economic criteria

The Discussion Paper set forth the policy objective of ensuring a socially responsible and economically sustainable gaming industry in Nova Scotia in order to realize the future vision for gaming in Nova Scotia. Many respondents identified the need for social and economic criteria to be defined in order for this objective to be achievable.

A number of suggestions were provided regarding the definition of the social and economic criteria:

A number of respondents recommended the development of criteria for establishing and measuring an appropriate balance between public health and gambling and to identify roles and responsibilities – there was an identified need to include economic and social responsibility outcomes and to have an evidence-based evaluation strategy to help measure the gains and losses in these areas.

In the development of social responsibility criteria, a number of suggestions were made by respondents including the need to consider inclusion of game design requirements such as card technology, and negative impacts on people with a view to ensuring any game (i.e. new or redesigned) will meet the test of "do no harm" prior to introduction.

There was support among many respondents for government to set the goal of reducing government reliance on gaming revenues as part of the strategy – and to include a commitment that future budgets would not be developed based upon increased revenue from this source as a means to sustain programs.

A number of respondents also suggested that the government position economic sustainability as assisting government with its primary mandate of working for individual and community health and well-being; it was considered that the latter should form the overriding principles which guide strategy development.

There is a great deal of support for introducing "social responsibility" and "economic sustainability" standards. A number of suggestions were received regarding the emphasis to be given each term. Varying opinions existed regarding the translation of social responsibility into criteria. The following demonstrate the views expressed:

A few respondents considered an appropriate analogy to be that the alcohol industry is not making the product taste bad as part of social responsibility.

There was strong support among respondents to recognize (a) the charitable sectors' role in providing a safety net to the public and (b) the erosion of charitable bingo as a charitable gaming institution.

A few respondents also identified the opportunity for partnerships to be undertaken with the harness racing industry to promote socially responsible gaming.

It was noted that in order for these standards to be effective, they would need to be legislated and there would need to be a monitoring process that would ensure such standards are being met.

On the social responsibility front, many respondents expressed concern regarding VLTs and the emergence of continuous electronic forms of gaming. A number of

respondents considered that social responsibility should be defined, in the context of VLTs, to include the following:

Reduce access to VLTs, remove bill acceptors and automatic banking machines located close to VLTs and review overall management of VLTs.

Remove VLTs from lounges and placement in entertainment centres, with racinos being a suggested model by some respondents.

Design VLTs to be more socially interactive and develop mechanisms to benefit charities and educate and improve public awareness through partnership arrangements between licensed VLT establishments and charitable organizations.

3.3.2 Engage First Nations in Gaming Discussions

A number of respondents identified the importance of First Nations being treated as another level of government regarding discussions on gaming. The Discussion Paper outlined the Province's decision to enter into agreements with First Nations communities to offer VLTs on reserves in 1995.

Concerns were identified regarding the creation of addictions issues related to gaming being offered on reserves. Many respondents supported the need for social responsibility standards to be applied to all organizations involved in gaming, including First Nations.

The following demonstrate the views expressed by respondents:

Involve First Nations stakeholders in all activities associated with responsible gaming.

Consider the impact of public policy changes on First Nations and review research prior to making decisions.

3.3.3 Improve the Quality of Prevention and Treatment Services for Nova Scotians

A primary goal of the Gaming Strategy Initiative is to ensure social responsibility in gaming through providing information, education and treatment to all Nova Scotians who desire or need it. The Discussion Paper outlines intervention and the best treatment services being available to those who experience problems resulting from high-risk or problem gambling as a cornerstone of the future vision of gaming.

Many respondents supported the need for a broad-based information and education campaign to be undertaken.

The general comment expressed by these respondents was that everyone needs to be educated with a particular focus on "at-risk" and problem players.

Some respondents commented that excellent work has been done to date regarding education campaigns for Responsible Gaming and this represents a great first step. In this regard, particular mention was made of the work being done by NSGC and others regarding Responsible Gaming Awareness Week. However, concerns were expressed that it was insufficient for this message to be only promoted one week of the year.

There was a need identified by many respondents for promotion and education of responsible gaming to be done on a regular basis to be most effective.

A number of respondents also noted the importance of government recognizing the impact of current advertising on consumers and suggested that government exercise caution in the area of marketing of gambling products. There was concern that the current advertising undermines the responsible gaming messages and that restrictions on advertising should be given careful consideration.

One respondent also noted that the industry should be consulted regarding ideas for promoting responsible gaming.

A number of respondents suggested that the sectors impacted by gaming should get together annually, including operators, to develop ideas for responsible gaming.

A number of respondents indicated the development of standards for problem gambling and measurements to evaluate the effectiveness of problem gambling treatment services are an important means of delivering on this vision. These respondents suggested:

Develop standards for problem gambling treatment and measure services accordingly.

Incorporate prevention and treatment principles into the strategy.

There was also support amongst respondents for increasing funding for problem gambling treatment services to attain the standard envisioned in the Discussion Paper. The following demonstrate the views expressed by a number of respondents:

Increase funding for prevention and treatment services for problem gambling proportionate to gambling revenues; and, to a level in order to support salary, supervision and operating expenses of at least one problem gambling professional in each rural district health authority with a corresponding appropriate number of positions in urban centres.

Strengthen and enhance prevention and treatment services to better address the adverse social impacts of gaming.

One stakeholder organization recommended that the Province undertake a pilot project working in conjunction with a District Health Authority to review the costs and benefits of a comprehensive Prevention and Early Identification Treatment Strategy. A number of respondents also recommended that the Province seek expert advice regarding the adverse effects of gaming and how best to manage this impact as an input to the strategy development process.

3.3.4 Mandate of Gaming Strategy Initiative

A number of respondents highlighted the need for communication and coordination between provincial departments which have some involvement in gaming. Collaboration and sharing of information among all relevant departments and agencies is necessary if the future vision of gaming is to be achieved.

A number of respondents noted the need to ensure the strategy development process is a cooperative undertaking between government departments including the Office of Health Promotion and District Health Authorities.

3.3.5 Strengthen Gaming Safeguards

As noted in the Discussion Paper and confirmed in the responses, the effective regulation of all gaming to ensure controlled outcomes, and the security and integrity of products and systems is of paramount importance.

A number of respondents commented favourably upon the effective regulation of gaming today. However, concern was expressed regarding the lack of regulatory support of social responsibility standards.

Many stakeholders identified the need for government to strengthen the role of the regulator of gaming and include responsibility for overseeing socially responsible gaming.

There was strong agreement that a new regulatory framework is required which focuses on enforcement of social responsibility standards which are applicable to all organizations involved in the gaming sector.

A number of respondents suggested the introduction of mandatory reporting on social and economic costs/benefits by operators - it was felt there is a need to view economic growth within the parameters of successful responsible gaming controls and new games meeting social responsibility criteria which are legislated.

In this regard, a number of respondents commented upon the need for greater regulation of continuous forms of electronic gaming.

A common view expressed by respondents was the need to expand the regulation of continuous forms of electronic gaming.

3.3.6 Strengthen the Gaming Decision-Making Process

Through the public input and stakeholder meeting process, there was an identified need for gaming decisions to be supported by independent, credible research. A concern expressed by many respondents was the lack of available research providing a cost-benefit analysis of gaming in Nova Scotia. There was a great deal of support for such research being undertaken as a first step in developing the Gaming Strategy. Such research was viewed as necessary to inform the process of defining the terms "socially responsible" and "economic sustainability" used in the vision statement in the Discussion Paper.

Many respondents suggested that a cost-benefit analysis be conducted as a starting point in the strategy development process and that stakeholder meetings be re-commenced to discuss appropriate directions for gaming.

A number of respondents also noted the availability of excellent research on gaming produced in Nova Scotia and that such research should be considered in the decision-making process.

There was strong support by respondents for government to review relevant research, particularly research undertaken in Nova Scotia.

There were several suggestions regarding the definition of objective, credible research.

A number of respondents indicated that quality research was characterized by the use of controlled variables, sufficient sample sizes, scientifically and clinically rigorous experimentation and being replicable.

This feedback highlights the need to clarify the roles and responsibilities of decision makers in the gaming process.

4. Conclusion and Next Steps

This summary document completes the second phase of the Gaming Strategy Initiative. The Government of Nova Scotia considers the Gaming Strategy Initiative a priority, and as such, this information will inform Phase III which is focused on the development of a comprehensive provincial Gaming Strategy.

Nova Scotians have provided many and varying ideas on the future vision of gaming in Nova Scotia. The considerable consensus of opinion expressed regarding the need for well-defined standards of social responsibility with effective evaluation mechanisms and for a clear definition of economic sustainability will greatly inform the strategy development process.

There was considerable interest expressed in developing consistent standards of social responsibility applicable to all stakeholders in the gaming industry and there was strong support for government playing a larger role in social responsibility. First Nations were regarded by many stakeholders as an important "government" stakeholder, and charitable organizations were identified as stakeholders requiring particular consideration.

There was consensus regarding the need for gaming decisions to be supported by sound research and for efforts to be directed at public education and awareness campaigns. The regulation of gaming was viewed as important by many respondents and recommendations included strengthening the regulator's role. Support was also expressed for more funding to be directed to problem gambling prevention and treatment efforts.

The Government of Nova Scotia has articulated an objective to deliver on the future vision of gaming which promotes social responsibility and economic sustainability. Balancing these two important concepts is a challenge but an integral part of strengthening accountability in the management of gaming. The contributions people and organizations made to this phase of the Gaming Strategy initiative are greatly appreciated and provide important guidance to the future direction of gaming in Nova Scotia.